Wiswell
Parish
Council

WISWELL PARISH COUNCIL

FINANCIAL REGULATIONS

Responsible Financial Officer (RFO): Parish Clerk
Council precept: Approximately £10,000

---

1. GENERAL

1.1

These Financial Regulations govern the financial administration and control of Wiswell Parish Council ("the Council") and shall be read alongside the Council's Standing Orders.

1.2

The Council is responsible for ensuring that its financial management is conducted lawfully, prudently, transparently and in accordance with proper practices.

1.3

The Council shall comply with relevant legislation and proper accounting practices, including the requirements applicable to smaller authorities in England.

1.4

The Council's financial year shall run from 1 April to 31 March.

1.5

The Council shall maintain accounting records sufficient to demonstrate and explain its financial transactions and financial position.

1.6

The Council shall have regard to the latest edition of the **Governance and Accountability for Smaller Authorities in England – Practitioners' Guide** ("the Practitioners' Guide") when carrying out its financial duties.

1.7

These Financial Regulations shall be reviewed at least annually and whenever there is a significant change in legislation, guidance or the Council's financial arrangements.

---

2. ACCOUNTING AND AUDIT

2.1

The Council shall appoint a Responsible Financial Officer (RFO). The RFO shall be responsible for the day-to-day administration of the Council's financial affairs, subject to the direction and decisions of the Council.

2.2

The RFO shall maintain proper accounting records, including records of:

- receipts and payments;
- invoices and supporting documentation;
- bank transactions;
- assets;
- VAT, where applicable;
- payroll and employment costs, where applicable;
- grants and donations;
- year-end accounting information.

2.3

The Council shall determine whether its accounts are maintained on a receipts and payments basis or an income and expenditure basis, in accordance with the requirements applicable to the Council.

2.4

The Council shall complete and approve its Annual Governance and Accountability Return (AGAR) within the statutory deadlines.

2.5

The Council shall appoint an independent internal auditor who is suitably competent and independent of the Council's financial decision-making and day-to-day financial administration.

2.6

The internal auditor shall undertake an annual review in accordance with the requirements of the Practitioners' Guide and shall report the results to the Council.

2.7

The Council shall cooperate fully with any external auditor or other person legally entitled to inspect the Council's accounts and records.

---

3. ANNUAL BUDGET

3.1

The Council shall prepare and approve an annual budget before setting its precept.

3.2

The budget shall provide a realistic assessment of anticipated income and expenditure and shall take account of:

- existing commitments;
- expected maintenance and running costs;
- staff costs, where applicable;
- insurance;
- subscriptions;
- grants and donations;
- reserves;
- known future expenditure;
- anticipated capital or major expenditure.

3.3

The Council shall approve the annual budget and precept by resolution.

3.4

The Council shall not incur expenditure which exceeds the approved budget unless authority is obtained in accordance with these Regulations.

3.5

The RFO shall advise the Council if actual or forecast expenditure is likely to exceed the approved budget.

---

4. RESERVES

4.1

The Council shall maintain appropriate reserves to protect its financial position and meet known or reasonably anticipated expenditure.

4.2

The Council shall review its reserves as part of the annual budget-setting process.

4.3

The Council should normally maintain a level of general reserve which is proportionate to its expenditure, responsibilities and risks.

4.4

Earmarked reserves may be established by Council resolution for identified future expenditure or specific purposes.

4.5

The purpose of each earmarked reserve shall be recorded and reviewed annually.

---

5. BANKING ARRANGEMENTS

5.1

The Council shall maintain one or more bank accounts authorised by resolution.

5.2

Bank accounts shall be held with a regulated financial institution.

5.3

The Council shall nominate authorised signatories and shall maintain appropriate separation of duties wherever practicable.

5.4

Where online banking is used, appropriate controls shall be maintained to protect the Council's funds and prevent unauthorised transactions.

5.5

The RFO shall undertake regular bank reconciliations.

5.6

Bank reconciliations shall be presented to the Council for review and approval at regular meetings and shall be independently reviewed by a councillor who is not involved in preparing the reconciliation, wherever practicable.

5.7

Bank statements and supporting accounting records shall be retained in accordance with the Council's document retention arrangements.

---

6. PAYMENTS

6.1

All payments made by the Council shall be authorised in accordance with these Financial Regulations and the Council's approved budget.

6.2

Payments shall be supported by an invoice, receipt or other appropriate evidence of the expenditure.

6.3

The Council shall not normally make payments in cash.

6.4

Payments shall normally be made by bank transfer, direct debit, standing order or other secure electronic method approved by the Council.

6.5

The Council shall maintain an appropriate audit trail for all payments.

6.6

No councillor or employee shall approve a payment to themselves.

6.7

Where a councillor has a disclosable pecuniary interest or other relevant interest in expenditure being considered, the Council's Code of Conduct and relevant legal requirements shall be followed.

6.8

The RFO shall ensure that invoices are checked for:

- supplier details;
- description of goods or services;
- arithmetic accuracy;
- VAT, where applicable;
- evidence that the goods or services were received;
- appropriate authorisation.

---

7. AUTHORISATION OF EXPENDITURE

7.1

The Council shall approve expenditure by resolution where required.

7.2

The Clerk/RFO may incur expenditure which is necessary for the ordinary administration of the Council and which is within an approved budget.

7.3

The Clerk/RFO shall not commit the Council to expenditure outside an approved budget without prior authority from the Council, except where urgent action is permitted under these Regulations.

7.4

The Council authorises the following limits:

Expenditure	Authority
Routine expenditure within an approved budget	Clerk/RFO, subject to normal controls
Individual expenditure up to £500 within an approved budget	Clerk/RFO
Individual expenditure over £500	Prior Council approval, unless specifically authorised by existing resolution
Unbudgeted expenditure	Council resolution

Expenditure	Authority
Emergency expenditure necessary to protect people or property	Chair and/or Clerk/RFO, subject to prompt report to Council

7.5

The Council may vary these limits by resolution.

---

8. EMERGENCY EXPENDITURE

8.1

The Clerk/RFO, in consultation with the Chair where practicable, may authorise expenditure necessary to deal with an emergency involving immediate risk to people, property or the Council's essential operations.

8.2

The expenditure shall be reported to the next appropriate Council meeting.

8.3

The circumstances, expenditure and reason for the emergency action shall be recorded in the minutes.

---

9. PROCUREMENT OF GOODS, SERVICES AND WORKS

9.1

The Council shall obtain value for money and shall act fairly, transparently and without discrimination when procuring goods, services and works.

9.2

The Council shall comply with all applicable procurement legislation, including the **Procurement Act 2023** and associated regulations where applicable.

9.3

The Council shall not deliberately divide a contract into smaller contracts in order to avoid applicable procurement requirements.

9.4

For routine purchases, the Council shall use an appropriate supplier following reasonable consideration of price, quality, suitability and reliability.

9.5

Where practicable, the Council should obtain competing quotations for significant expenditure.

9.6

The following quotation arrangements shall normally apply:

Estimated value	**Procedure**
Up to £1,000	One suitable quotation or price check where practicable
£1,001–£5,000	At least two quotations where reasonably practicable
£5,001–£25,000	At least three written quotations where reasonably practicable
Above £25,000	Formal procurement procedure appropriate to the nature and value of the contract and applicable legislation

9.7

The Council may waive the requirement for competing quotations where there is a genuine reason, including:

- only one suitable supplier being available;
- compatibility with existing equipment or services;
- specialist expertise;
- urgency;
- continuity of an essential service;
- circumstances where obtaining additional quotations would not provide value for money.

The reason for any such decision shall be recorded.

9.8

For contracts subject to statutory procurement requirements, the statutory requirements shall take precedence over these Financial Regulations.

9.9

The Council shall consider the whole-life cost and quality of a contract and shall not automatically accept the lowest quotation where another option provides better overall value.

9.10

For significant contracts, the Council should use a written specification and written terms and conditions.

---

10. PURCHASE ORDERS

10.1

Where appropriate, a purchase order shall be issued before goods or services are ordered.

10.2

A purchase order shall normally include:

- description of goods or services;
- agreed price;
- supplier details;
- delivery arrangements;
- relevant terms and conditions.

10.3

A purchase order shall not be used to circumvent the Council's procurement or authorisation procedures.

---

11. CONTRACTS

11.1

Contracts shall be entered into only by a person authorised by the Council.

11.2

For significant expenditure, the Council should ensure that a written contract or written terms are in place.

11.3

Contracts should identify, where appropriate:

- scope of work;
- price;
- payment arrangements;
- duration;
- termination arrangements;
- insurance requirements;
- responsibilities of each party;
- data protection requirements;
- health and safety requirements.

11.4

The Council shall maintain a register of significant contracts.

---

12. INCOME AND RECEIPTS

12.1

All money received by the Council shall be properly recorded and banked promptly.

12.2

The RFO shall maintain records of income and its source.

12.3

Where appropriate, receipts shall be issued.

12.4

Cash received shall be kept secure and shall not be used directly to meet expenditure.

12.5

The Council shall ensure that income due to it is properly collected.

---

13. PRECEPT

13.1

The Council shall determine its annual precept in accordance with statutory requirements and its approved budget.

13.2

The precept shall be based on a realistic assessment of anticipated expenditure, income and reserves.

13.3

The Council shall not use the precept for expenditure outside its lawful powers.

---

14. VAT AND TAXATION

14.1

The Council shall account correctly for VAT and other taxation matters.

14.2

The RFO shall ensure that VAT is correctly recorded and reclaimed where the Council is entitled to do so.

14.3

The Council shall comply with applicable HMRC requirements.

14.4

Where the Council employs staff, PAYE and National Insurance requirements shall be properly administered.

---

15. SALARIES AND STAFF PAYMENTS

15.1

The Council shall approve staffing establishments and salary scales.

15.2

Staff salaries shall be paid in accordance with employment contracts and Council resolutions.

15.3

Any changes to salary, hours, allowances or contractual terms shall be authorised by the Council or by an appropriately delegated person.

15.4

The RFO shall maintain appropriate payroll records.

15.5

The Council shall comply with employment, taxation and pension requirements.

---

16. EXPENSES AND MEMBER ALLOWANCES

16.1

Reasonable expenses incurred on authorised Council business may be reimbursed in accordance with the Council's policies.

16.2

Claims shall be supported by receipts or other appropriate evidence wherever practicable.

16.3

A councillor shall not approve their own expense claim.

16.4

The Council shall not pay councillors any allowance unless authorised by law and by Council resolution.

---

17. GRANTS AND DONATIONS

17.1

The Council may award grants where it has lawful power to do so and where the expenditure is properly authorised.

17.2

Applications for grants should normally be made in writing and should provide sufficient information for the Council to determine whether the grant is appropriate.

17.3

The Council shall record the purpose and amount of each grant awarded.

17.4

The Council may require evidence that a grant has been used for the stated purpose.

17.5

Grants shall not be awarded where the Council has no lawful power to make the payment.

---

18. ASSETS

18.1

The Council shall maintain an asset register recording significant Council-owned assets.

18.2

The asset register shall be reviewed at least annually.

18.3

The Council's assets shall be adequately insured where appropriate.

18.4

Assets shall not be disposed of without appropriate authority.

18.5

Disposals shall be undertaken transparently and in accordance with legal requirements and the Council's best interests.

---

19. INSURANCE

19.1

The Council shall maintain appropriate insurance cover for its activities, assets, employees and liabilities.

19.2

Insurance cover shall be reviewed annually.

19.3

The Council shall notify its insurers of material changes to its activities or risks where required.

---

20. RISK MANAGEMENT

20.1

The Council shall maintain a risk management process appropriate to its size and activities.

20.2

Financial and operational risks shall be reviewed at least annually.

20.3

Significant risks and the controls used to manage them shall be recorded.

20.4

The Council shall ensure that appropriate arrangements are in place to safeguard public money and Council assets.

---

21. INTERNAL CONTROLS

21.1

The Council shall maintain proportionate internal controls designed to:

- safeguard public money;
- prevent fraud and error;
- ensure expenditure is properly authorised;
- ensure income is properly recorded;
- maintain accurate accounting records;
- protect Council assets;
- ensure compliance with legal requirements.

21.2

Where practicable, duties shall be separated so that no one individual controls the whole financial process.

21.3

Where the small size of the Council makes complete separation of duties impracticable, additional checks shall be used, including councillor review and independent internal audit.

---

22. REPORTING TO THE COUNCIL

22.1

The RFO shall provide the Council with regular financial information sufficient for members to monitor the Council's financial position.

22.2

Financial reports should include, where appropriate:

- bank balances;
- receipts and payments;
- budget against actual expenditure;
- forecast expenditure;
- significant commitments;
- reserves;
- outstanding income;
- significant financial risks.

22.3

The Council shall review and approve bank reconciliations and financial reports at appropriate intervals.

---

23. YEAR-END ACCOUNTS

23.1

The RFO shall prepare the year-end accounts in accordance with proper practices.

23.2

The Council shall consider and approve the annual accounting statements and Annual Governance Statement within the statutory deadlines.

23.3

The Council shall comply with all requirements relating to the AGAR, internal audit, external audit and the rights of local electors.

---

24. TRANSPARENCY

24.1

As a smaller authority with annual income and expenditure below £25,000, the Council shall comply with the **Transparency Code for Smaller Authorities (England)**.

24.2

The Council shall publish the information required by the Transparency Code within the applicable deadlines.

24.3

This includes, where applicable:

- individual items of expenditure over £100;
- end-of-year accounts;
- annual governance statement;
- internal audit report;
- councillor responsibilities;
- details of public land and buildings;
- agendas, minutes and meeting papers.

24.4

Personal data shall not be published where doing so would breach data protection legislation.

---

25. FRAUD, CORRUPTION AND IRREGULARITY

25.1

The Council has zero tolerance for fraud, corruption or misuse of public funds.

25.2

Any suspected financial irregularity shall be reported immediately to the Chair and RFO and, where appropriate, to the Council, internal auditor, external auditor, police or other relevant authority.

25.3

The Council shall maintain appropriate records of investigations and actions taken.

---

26. DATA PROTECTION

26.1

Financial records containing personal data shall be processed, stored and disposed of in accordance with applicable data protection legislation and the Council's privacy and data protection policies.

26.2

Access to financial information shall be restricted where appropriate while ensuring compliance with transparency and freedom of information requirements.

---

27. DOCUMENT RETENTION

27.1

Financial records shall be retained for the periods required by law and proper practice.

27.2

The Council shall maintain a document retention policy.

27.3

Documents shall be securely destroyed when the retention period has expired, subject to any legal requirement to retain them.

---

28. COUNCILLORS' RIGHTS OF INSPECTION

28.1

Councillors shall have reasonable access to Council financial records where this is necessary to carry out their duties.

28.2

Access shall be subject to legal requirements concerning confidentiality, personal data and privileged information.

28.3

Local electors' statutory rights to inspect the Council's accounts and supporting documents shall be respected.

---

29. REVIEW OF FINANCIAL REGULATIONS

29.1

These Financial Regulations shall be reviewed annually at the Annual Meeting of the Council or as soon as reasonably practicable thereafter.

29.2

The RFO shall recommend any amendments required as a result of:

- changes in legislation;
- changes in procurement requirements;
- changes in the Council's financial circumstances;
- changes in accounting guidance;
- recommendations made by the internal or external auditor.

29.3

Any amendment to these Financial Regulations shall require Council approval by resolution.

---

30. APPROVAL

These Financial Regulations were approved and adopted by Wiswell Parish Council at a meeting held on: 9th September 2026